

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

UNITED STATES OF AMERICA)	Filed: October 5, 2000
)	
v.)	Criminal No.: 300-CR-400-P
)	
MARTIN NEWS AGENCY, INC.; and)	Violation: 15 U.S.C. § 1
BENNETT T. MARTIN.)	
)	
)	Judge Solis
Defendants.)	

INDICTMENT

The Grand Jury charges:

CONSPIRACY TO RESTRAIN TRADE

(15 U.S.C. § 1)

I

DESCRIPTION OF THE OFFENSE

1. MARTIN NEWS AGENCY, INC. and BENNETT T. MARTIN are hereby indicted and made defendants on the charge stated below.

2. Beginning at least as early as August, 1990, and continuing at least through October 30, 1995, the exact dates being unknown to the Grand Jury, the above-named defendants and co-conspirators entered into and engaged in a combination and conspiracy to suppress and eliminate competition by allocating territories and customers for the sale and distribution of magazines and other periodicals in Dallas, Fort Worth, and the surrounding areas of Texas. The charged

combination and conspiracy unreasonably restrained interstate trade and commerce in violation of Section 1 of the Sherman Act (15 U.S.C. § 1).

3. The charged combination and conspiracy consisted of a continuing agreement, understanding and concert of action among the defendants and co-conspirators, the substantial terms of which were to allocate territories and customers among themselves for the sale and distribution of magazines and other periodicals in Dallas, Fort Worth, and the surrounding areas of Texas.

4. For the purpose of forming and carrying out the charged combination and conspiracy, the defendants and co-conspirators did the following things, among others:

- (a) participated in meetings and conversations to discuss allocating (i.e., dividing-up) territories among themselves;
- (b) participated in meetings and conversations to discuss allocating customers among themselves;
- (c) agreed, during such meetings and conversations, to allocate territories and customers among themselves and not to compete against each other;
- (d) agreed, during such meetings and conversations, which designated co-conspirator would distribute and sell magazines and other periodicals in certain geographic areas;
- (e) refrained from soliciting certain accounts;

- (f) refrained from soliciting accounts in certain geographic areas;
- (g) pulled out of certain territories and customers to allow the designated co-conspirator to service a particular territory and/or customer;
- (h) agreed that the defendants would be reimbursed for the unamortized portion of any slotting allowances paid by the defendants to customers;
- (i) paid the defendants the unamortized portion of slotting allowances, pursuant to their illegal agreement; and
- (j) thereby allocated, pursuant to such meetings and conversations, territories and customers.

III
DEFENDANTS AND CO-CONSPIRATORS

5. Defendant MARTIN NEWS AGENCY, INC. is incorporated and exists under the laws of the State of Texas and, during the period covered by this Indictment, had its principal place of business in Dallas, Texas. During the period covered by this Indictment, MARTIN NEWS AGENCY, INC. was engaged in the wholesale distribution and sale of magazines and other periodicals, purchasing magazines and other periodicals from publishers and national distributors and then reselling such magazines and other periodicals to retail stores for sale to the general public in Dallas, Fort Worth, and the surrounding areas of Texas.

6. During the period covered by this Indictment, BENNETT T. MARTIN was the president and chief executive officer of MARTIN NEWS AGENCY, INC. He also was an owner of MARTIN NEWS AGENCY, INC.

7. Various individuals and corporations, not made defendants in this Indictment, participated as co-conspirators in the offense charged and performed acts and made statements in furtherance of it.

8. Whenever this Indictment refers to any act, deed or transaction of any corporation, it means that the corporation engaged in the act, deed or transaction by or through its officers, directors, employees, agents or other representatives while they were actively engaged in the management, direction, control or transaction of its business or affairs.

IV TRADE AND COMMERCE

9. During the period covered by this Indictment, the defendants and co-conspirators sold and distributed in the State of Texas magazines and other periodicals manufactured and produced outside of the State of Texas. These magazines and other periodicals were shipped across state lines in a continuous and uninterrupted flow of interstate commerce from their places of manufacture to customers located in Texas.

10. The activities of the defendants and co-conspirators that are the subject of this Indictment were within the flow of, and substantially affected, interstate trade and commerce.

V
JURISDICTION AND VENUE

11. The combination and conspiracy charged in this Indictment was carried out, in part, within the Northern District of Texas within the five years preceding the return of this Indictment.

ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.

A TRUE BILL:

"/s/"
FOREMAN

"/s/"
A. DOUGLAS MELAMED
Acting Assistant Attorney General

"/s/"
JAMES M. GRIFFIN
Deputy Assistant Attorney General

"/s/"
SCOTT D. HAMMOND
Director of Criminal Enforcement

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"/s/"
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